NEW MEXICO EN RGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

Donna

August 26, 1998

Collins & Ware, Inc.
508 West Wall Avenue
Suite 1200
Midland, Texas 79701-5076

Attention: Mr. Brent L. Lowery

Re: State BTC No. 5
API No. 30-025-01019
Unit K, Section 35, T-11S, R-33E
Lea County, New Mexico

Dear Mr. Lowery:

This letter is in response to your correspondence to the Division dated November 24, 1997, which I received from the Hobbs District Office on March 16, 1998. Please be advised that it is the policy of the Division not to issue downhole commingling permits in those instances where one or more of the zones to be commingled in the wellbore is non-productive. The question of whether or not the well may be produced with the Bagley Upper-Penn Gas Pool perforations open in the well should be taken up with the supervisor of the Hobbs District Office of the Division.

If you should have any questions, please contact me at (505) 827-8184.

Sincerely,

David Catanach

David Catanach
Engineer

xc: OCD-Hobbs

4/6/10

To ..... David Catanach ....

From

DONNA 3/10/98

Energy & Minerals Department
OIL CONSERVATION DIVISION
P O Box 1980
Hobbs NM 88241

MAR 16 1998

Telephone Number (505) 393-6161

- ☐ **For Your Files**
- ☐ **Prepare a Reply for My Signature**
- ☐ **For Your Review and Return**
- ☐ **For Your Information**
- ☒ **For Your Handling**
- ☐ **For Your Approval**
- ☐ **As Per Your Request**
- ☐ **For Your Signature**
- ☒ **Please Advise**
- ☐ **For Your Attention**

Need to squeeze off Bagley, upper Penn (Gas) 71360 Collins & Ware should submit C103 showing where perfs are sealed off within 30 days to continue producing this well.

FAX (915) 686-0302

COLLINS & WARE, INC.

508 WEST WALL AVENUE, SUITE 1200
MIDLAND, TEXAS 79701-5076

(915) 687-3435

November 24, 1997

State of New Mexico Energy, Minerals
and Natural Resources Department
Oil Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88241-1980

Re: Downhole Commingling
State BTC No. 5
API No. 30-025-01019
Unit

Gentlemen,

Collins & Ware, Inc. respectfully requests an exception for the State BTC No. 5 to the Statewide Rule 303 process requiring a permit to downhole commingle production and separate tracking of production from the Bagley; Upper Penn (Gas) (71360) Pool and the Bagley; Penn Pool (03770). Individual testing of the Bagley; Upper Penn (Gas) Pool has shown that it is non-productive in this wellbore, but perforations are still open along with the marginally productive Bagley: Penn perforations.

The State BTC No. 5 was originally completed in 1952 as a Bagley; Penn producer. Several subsequent workovers were performed testing various pays in the same field, and the well was finally temporarily abandoned in 1977. Collins & Ware, Inc. reactivated the well in April, 1997. In September, 1997, a recompletion to the Bagley; Upper Penn (Gas) Pool was attempted and found it to be non-productive. Bagley; Upper Penn (Gas) Pool perforations were acidized with a total of 13,000 gal of acid with recovery of gas TSTM and a slight oil cut with load water recovery using a swab unit. As this well is currently the only production holding the lease, the cast iron bridge plug used to isolate the two zones for the recompletion attempt was drilled out. A sucker rod pumping system was then installed to more effectively produce the old Bagley (Penn) completion to maintain the lease. The well currently produces with both the Bagley; Upper Penn (Gas) and Bagley; Penn perforations open, but all gas and probably all oil production is obtained from the Bagley: Penn Pool.

Collins & Ware, Inc. would like to have this well certified and tracked on OCD records as producing only from the Bagley; Penn Pool. Bagley; Upper Penn (Gas) perforations from 8596' - 8760' are shown on our completion report since they are open, but we would like to file the C-104 for the Bagley; Penn Pool only and would like to show production on the C-115 in the Bagley; Penn Pool only to simplify tracking and record-keeping for everyone involved. If the Bagley; Upper Penn (Gas) Pool were productive, the Rule 303 Exception process would be in order. Please let us know how this situation needs to be handled. Your assistance in this matter is greatly appreciated .

Sincerely,

Brent L. Lowery

Brent L. Lowery

Operations Engineer

Submit to Appropriate
District Office
State Lease – 6 copies
Fee Lease – 5 copies
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-105
Revised 1-1-89

WELL API NO. 30-025-01019

5. Indicate Type of Lease STATE [X] FEE [ ]

6. State Oil & Gas Lease No. E-1347

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL [XX] GAS WELL [ ] DRY [ ] OTHER

b. Type of Completion: NEW WELL [ ] WORK OVER [X] DEEPEN [ ] PLUG BACK [ ] DIFF RESVR [ ] OTHER

7. Lease Name or Unit Agreement Name: State BT "C"

2. Name of Operator: Collins & Ware, Inc.

8. Well No. 5

3. Address of Operator: 508 West Wall, Suite 1200, Midland, Tx 79701

9. Pool name or Wildcat: Bagley Penn/ Bagley Upper Penn (Gas

4. Well Location
Unit Letter K : 1980 Feet From The South Line and 1980 Feet From The West Line
Section 35 Township 11S Range 33E NMPM Lea County

10. Date Spudded	11. Date T.D. Reached	12. Date Compl. (Ready to Prod.)	13. Elevations (DF& RKB, RT, GR, etc.)	14. Elev. Casinghead
WO 9/10/97	10/30/52	9/25/97	4237 GR	

15. Total Depth	16. Plug Back T.D.	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By	Rotary Tools	Cable Tools
9417	9014	2		X	

19. Producing Interval(s), of this completion - Top, Bottom, Name: 8596' - 8760' 1 SPF (28 holes) Bagley; Upper Penn (Gas)

20. Was Directional Survey Made: No

21. Type Electric and Other Logs Run: N/A

22. Was Well Cored: No

23. **CASING RECORD (Report all strings set in well)**

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8	36#	298	17 1/2	225 sx	
8 5/8	32#	3768	11	1500 sx	
5 1/2	15.5#, 17#	9417	7 7/8	600 sx	

24. **LINER RECORD**

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

25. **TUBING RECORD**

SIZE	DEPTH SET	PACKER SET
2 3/8	9013	N/A

26. Perforation record (interval, size, and number)
Please see attachment

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
Please	see attachment

28. **PRODUCTION**

Date First Production	Production Method (Flowing, gas lift, pumping - Size and type pump)	Well Status (Prod. or Shut-in)
10/16/97	2" x 1 1/4" x 20' RHBC pump PUMP	Producing

Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
11/13/97	24			14/0	150/0	72/0	10,714

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)
			14/0	150/0	72/0	45.9

29. Disposition of Gas (Sold, used for fuel, vented, etc.): Sold

Test Witnessed By

30. List Attachments: See attachment for numbers 26 and 27

31. *I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief*

Signature Dianne Sumrall Printed Name Dianne Sumrall Title Prod Supervisor Date 11/18/97

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. McCracken
T. San Andres	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinebry	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Delaware Sand	T. Todilto	T.
T. Drinkard	T. Bone Springs	T. Entrada	T.
T. Abo	T.	T. Wingate	T.
T. Wolfcamp	T.	T. Chinle	T.
T. Penn	T.	T. Permain	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....to..... No. 3, from.....to.....

No. 2, from.....to..... No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....

No. 2, from.....to.....feet.....

No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology	From	To	Thickness in Feet	Lithology

STATE BTC #5
WELL HISTORY

Perforation Record.

9050 - 9080	4 SPF	11/52	
9196 - 9333	4 SPF (232 holes)	5/58	
9196 - 9248	2 SPF (74 holes)	6/58	
8917 - 9025	1 SPF (47 shots)	7/67	Bagley Penn
8596 - 8760	1 SPF (28 holes)	9/97	Bagley; Upper Penn (Gas)

Treatment Record.

9050 - 9080	AT w/500 gallons Dowell 15% LST acid. 11/52
9050 - 9080	AT w/500 gals regular acid. 5/58
9050 - 9080	Squeeze with 100 sx cement. 5/58
9196 - 9248	AT with 500 gals 15% LST acid. 5/58
9196 - 9248	AT with 1000 gals 15% LST acid. 6/58
9040'	Set CIBP at 9040' with 1 sx cement on top. 7/67
8917 - 9025	AT with 5000 gals regular acid. 7/67
8917 - 9025	AT with 5000 gals 28% treated KCL acid. 8/74
9032	Set BP. 7/75
8917 - 9025	Chemical squeeze. 11/75
8880	Set CIBP at 8880' and dump 3 sx cement on top. 9/10/97
8596 - 8760	Spot 200 gals 15% NEFE HCL acid across perfs. 9/97
8596 - 8760	Acidize perfs with 2800 gals 15% NEFE HCL acid and 42 ball sealers. 9/97
8596 - 8760	Acidize perfs with 10,000 gals 15% HCL and 42 ball sealers - achieved ballout.
8860	Tag TOC at 8860'. Drill cement and chase plug to bottom at 9017'. 9/97

April 1977 well put on TA'd status.

April 1997 well put back on production.

FAX (915) 686-0302

COLLINS & WARE, INC.
508 WEST WALL AVENUE, SUITE 1200
MIDLAND, TEXAS 79701-5076

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November 24, 1997

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